

**Moore&VanAllen**

July 3, 2019

**Robert R. Smith, II**  
Attorney at Law

T 704 331 1091  
F 704 378 1975  
robsmith@mvalaw.com

**Moore & Van Allen PLLC**

Suite 4700  
100 North Tryon Street  
Charlotte, NC 28202-4003

Licensed in South Carolina  
Not licensed in North Carolina

**VIA ELECTRONIC FILING**

The Honorable Jocelyn G. Boyd  
Chief Clerk/Administrator  
The Public Service Commission of South Carolina  
101 Executive Center Drive, Suite 100  
Columbia, South Carolina 29210

Re: Comments in Response to Order No. 2019-457 (**Docket Nos. 2019-176-E and 2019-186-E**)

Dear Ms. Boyd:

Nucor Steel-South Carolina, a Division of Nucor Corporation (“Nucor”), is a large industrial customer of Duke Energy Progress, LLC (“DEP”). Concurrently with the filing of this letter, Nucor is also filing motions to intervene in the proceedings referenced above. The purpose of this letter is provide comments on certain procedural issues related to these cases, as directed by the Commission in its June 26, 2019 directive (Order No. 2019-457).

We would propose that the Commission address the issues in these cases (*i.e.*, standard offer, avoided cost methodologies, form contract power purchase agreements, commitment to sell forms, and any other terms and conditions necessary) in utility-specific dockets, rather than carving out the avoided cost methodology to be addressed in a generic proceeding. It is our understanding that South Carolina utilities have historically made utility-specific avoided cost filings, and nothing in Act 62 appears to require the Commission to alter this approach. Addressing proposed avoided cost methodologies, along with the other PURPA-related issues noted above, in separate, utility-specific proceedings would better allow the parties and the Commission to consider each utility’s avoided cost proposal in light of the facts and circumstances unique to each utility. From Nucor’s perspective, since we are a customer only of DEP, our concern is only with DEP’s proposal to implement the PURPA provisions of Act 62, and how that proposal will affect our rates and service. If these issues are addressed in separate, utility-specific proceedings, a customer would only need to participate in its utility’s case.

Also, given the short time between now and when the Commission must issue a decision on these PURPA issues,<sup>1</sup> we are concerned that there may not be enough time for a preliminary technical conference/comment process to develop avoided cost methodological guidelines followed by cases to consider specific proposals by utilities. Addressing all of the PURPA

---

<sup>1</sup> The Commission is required to approve each utility’s standard offer, avoided cost methodologies, form contract power purchase agreements, commitment to sell forms, and any other necessary terms and conditions within six months of the effective date of Act 62, which means the Commission must issue a decision by mid-November. S.C. Code Ann. § 58-41-20(A).

The Honorable Jocelyn G. Boyd  
Chief Clerk/Administrator  
July 3, 2019  
Page 2

implementation issues in utility-specific proceedings would appear to be more administratively efficient, particularly given the limited amount of time allowed under Act 62 for consideration of these issues and an ultimate Commission determination.

Nucor appreciates the opportunity to comment on this matter. Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Smith II". The signature is stylized with a large, sweeping "R" and a cursive "Smith".

Robert R. Smith II  
Counsel for Nucor Steel – South Carolina

RRS

cc: All Parties of Record (via e-mail)

Appendix A

Andrew M. Bateman , Counsel  
Office of Regulatory Staff  
1401 Main Street, Suite 900  
Columbia, SC 29201  
[abateman@ors.sc.gov](mailto:abateman@ors.sc.gov)

Carri Grube - Lybarker , Counsel  
SC Department of Consumer Affairs  
\*\*\*For Notice Purposes\*\*  
[clybarker@scconsumer.gov](mailto:clybarker@scconsumer.gov)

Heather Shirley Smith , Deputy  
General Counsel  
Duke Energy Progress, LLC  
40 W. Broad Street, Suite 690  
Greenville, SC 29601  
[Heather.smith@duke-energy.com](mailto:Heather.smith@duke-energy.com)

Jeffrey M. Nelson , Counsel  
Office of Regulatory Staff  
1401 Main Street, Suite 900  
Columbia, SC 29201  
[jnelson@ors.sc.gov](mailto:jnelson@ors.sc.gov)

Richard L. Whitt , Counsel  
Austin & Rogers, P.A.  
508 Hampton Street, Suite 300  
Columbia, SC 29201  
[rlwhitt@austinrogerspa.com](mailto:rlwhitt@austinrogerspa.com)

Becky Dover , Counsel  
SC Department of Consumer Affairs  
\*\*\*For Notice Purposes\*\*\*  
[bdover@scconsumer.gov](mailto:bdover@scconsumer.gov)

James Goldin , Counsel  
Nelson Mullins Riley & Scarborough  
LLP  
1320 Main Street 17th Floor  
Columbia, SC 29210  
[jamey.goldin@nelsonmullins.com](mailto:jamey.goldin@nelsonmullins.com)

Rebecca J. Dulin , Senior Counsel  
Duke Energy Progress, LLC  
1201 Main Street, Suite 1180  
Columbia, SC 29201  
[Rebecca.Dulin@duke-energy.com](mailto:Rebecca.Dulin@duke-energy.com)

Nanette S. Edwards , Counsel  
Office of Regulatory Staff  
1401 Main Street, Suite 900  
Columbia, SC 29201  
[nedwards@ors.sc.gov](mailto:nedwards@ors.sc.gov)

Weston Adams III , Counsel  
Nelson Mullins Riley & Scarborough,  
LLP  
Post Office Box 11070  
Columbia, SC 29211  
[weston.adams@nelsonmullins.com](mailto:weston.adams@nelsonmullins.com)